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Financing of the United Nations Interim Administration Mission in Kosovo

Performance report on the budget of the United Nations Interim Administration Mission in Kosovo for the period from 1 July 2004 to 30 June 2005

Report of the Secretary-General

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Summary

The present report contains the performance report for the budget of the United Nations Interim Administration Mission in Kosovo (UNMIK) for the period from 1 July 2004 to 30 June 2005.

The total expenditure for UNMIK for the period from 1 July 2004 to 30 June 2005 has been linked to the Mission's objective through a number of results-based frameworks, grouped by components, namely, substantive civilian, rule of law and support.

Performance of financial resources

(Thousands of United States dollars. Budget year is from 1 July 2004 to 30 June 2005.)

			Variance	
Category	*Apportionment*	*Expenditure*	*Amount*	*Percentage*
Military and police personnel	104 093.3	106 253.3	(2 160.0)	(2.1)
Civilian personnel	152 325.1	156 162.2	(3 837.1)	(2.5)
Operational requirements	38 206.8	32 081.5	6 125.3	16.0
Gross requirements	**294 625.2**	**294 497.0**	**128.2**	**0.0**
Staff assessment income	22 636.4	22 720.5	(84.1)	(0.4)
Net requirements	**271 988.8**	**271 776.5**	**212.3**	**0.1**
Voluntary contributions in kind (budgeted)				
Total requirements	**294 625.2**	**294 497.0**	**128.2**	**0.0**

Human resources incumbency performance

Category	*Approved*[a]	*Planned (average)*	*Actual (average)*	*Vacancy rate (percentage)*[b]
Military liaison officers	38	38	37	2.9
Civilian police	3 055	2 715	2 440	10.1
Formed police units	973	935	894	4.4
International staff	910	855	718	16.0
National staff	2 830	2 758	2 692	2.4
United Nations Volunteers	250	250	207	17.3

[a] Represents the highest level of authorized strength.

[b] Based on monthly incumbency and planned strength.

The actions to be taken by the General Assembly are set out in section V of the present report.

I. Introduction

1. The budget for the maintenance of the United Nations Interim Administration Mission in Kosovo (UNMIK) for the period from 1 July 2004 to 30 June 2005 was set out in the report of the Secretary-General of 18 December 2003 (A/58/638 and Corr.1) and amounted to $272,210,800 gross ($252,478,900 net). It provided for 38 military liaison officers, 4,028 civilian police including 973 in formed units, 910 international staff, 2,830 national staff and 250 United Nations Volunteers. The Advisory Committee on Administrative and Budgetary Questions, in paragraph 36 of its report of 12 April 2004 (A/58/759/Add.5), recommended that the General Assembly appropriate $264,625,200 gross for the period from 1 July 2004 to 30 June 2005. The General Assembly, by its resolution 58/305 of 18 June 2004, appropriated the amount of $264,625,200 gross ($245,839,600 net) for the maintenance of the Mission for the period from 1 July 2004 to 30 June 2005. The total amount has been assessed on Member States.

2. In his note to the General Assembly of 4 February 2005 (A/59/692) on financing arrangements for UNMIK for the period from 1 July 2004 to 30 June 2005, the Secretary-General requested an additional appropriation of $33,774,100 gross for the maintenance of the Mission for the 12-month period from 1 July 2004 to 30 June 2005. The Advisory Committee, in paragraph 6 of its report of 11 March 2005 (A/59/728), recommended that the General Assembly approve an additional appropriation of $30 million gross for the period from 1 July 2004 to 30 June 2005. The General Assembly, by its resolution 59/286 A of 13 April 2005, appropriated the additional amount of $30 million gross ($26,149,200 net) for the maintenance of the Mission for the period from 1 July 2004 to 30 June 2005. The total amount has been assessed on Member States.

II. Mandate performance

3. The mandate of the Mission was established by the Security Council in its resolution 1244 (1999).

4. The Mission is mandated to help the Security Council achieve an overall objective, namely, to advance substantial autonomy and meaningful self-administration for Kosovo.

5. Within this overall objective, the Mission has, during the performance report period, contributed to a number of accomplishments by delivering related key outputs, shown in the frameworks below. These frameworks are grouped by components: substantive civilian, rule of law and support.

6. The present report assesses actual performance against the planned results-based frameworks set out in the 2004/05 budget. In particular, the performance report compares the actual indicators of achievement, i.e., the extent to which actual progress has been made during the period against the expected accomplishments, with the planned indicators of achievement and compares the actually completed outputs with the planned outputs.

Component 1: substantive civilian

Expected accomplishment 1.1: further development of the Kosovo Provisional Institutions of Self-Government (PISG), ensuring respect for minority rights

Planned indicators of achievement	*Actual indicators of achievement*
1.1.1 Fair and free elections for the Kosovo Assembly in 2004	2004 elections conducted in a fair and free manner according to the Council of Europe Electoral Observation Mission and the European Parliament
1.1.2 Reduction in violations of the Constitutional Framework by PISG, including the Assembly, as evidenced by the number of remedial interventions under the authority of the Special Representative of the Secretary-General, from 10 violations at the central and 6 at the municipal level in 2002/03 (based on the monitoring reports on the Assembly sessions, conduct of legislative activities, and the Special Representative's interventions at the recommendation of municipal representatives)	1 violation at the central level and 2 violations at the municipal level requiring interventions under the authority of the Special Representative of the Secretary-General
1.1.3 Progressively increased representation of minorities to reach the representation target in all public services as stipulated in Regulation 2001/36 on Kosovo civil service and the Special Representative's recommendation of 19 June 2002 on the establishment of proportional community representation in the Kosovo civil service	Representation of minority civil servants increased from 12.25 per cent as of June 2004 to 12.32 per cent as of June 2005 15 of 27 municipalities met or exceeded their targets as of June 2005 compared to 14 as of June 2004 Minority employment in central institutions increased from 9.6 per cent as of June 2004 to 10.2 per cent as of June 2005
1.1.4 All 30 municipalities functioning effectively in areas transferred in accordance with the Constitutional Framework and achieving targets in fair-share financing and other minority-related obligations; boards of directors selected, committees established and functioning, budgets approved and disbursed	Targets in fair-share financing achieved in 27 municipalities, not yet achieved in 3 municipalities Boards of Directors are functioning effectively in all 30 municipalities Communities Committees and Mediation Committees established in 28 municipalities, not established in 2 municipalities as they are mono-ethnic. Communities Committees not functioning in 6 municipalities, Mediation Committees not functioning in 17 municipalities owing to lack of interest of minorities in

		participating in local institutions. UNMIK will provide additional capacity-building in 2005/06 and make recommendations to improve the effectiveness of these bodies
		All 30 municipalities had budgets approved and disbursed for 2004 and 2005
1.1.5	Compliance by PISG and political parties with legislation on financial management, on procurement and on political parties and procedures in respect of their expenditures, funding, accountability and increased transparency, as evidenced by annual financial reports and auditing arrangements	32 of the 33 registered political entities submitted audited reports. Compliance by the political parties with legislation is being assessed by the Central Election Commission of the Organization for Security and Cooperation in Europe
		The Kosovo Auditor General started audits of municipalities in July 2005 only. Previously audits of the PISG were conducted by the Dutch Court of Auditors and their reports included numerous recommendations for improvements to reach compliance with legislation
		Ministries and municipalities have yet to publish annual reports and financial statements

Planned outputs	*Completed (number or yes/no)*	*Remarks*
Promulgated UNMIK regulation, adopted subsidiary instruments (administrative directions) and electoral rules, thereby putting in place the legislative framework for the conduct of the 2004 Kosovo Assembly elections	Yes	1 Regulation and 5 Administrative Directions promulgated by the Special Representative of the Secretary-General for Kosovo, pursuant to which the Central Election Commission adopted 15 electoral rules
Supported through the provision of expert advice and advocacy the operations of 10 transferred ministries and the Office of the Prime Minister, intervening to ensure compliance with Security Council resolution 1244 (1999), the Constitutional Framework and applicable law, and monitored them through regular meetings with senior staff, attendance at policy meetings, and weekly, monthly and special reporting	Yes	Backstopping of 10 ministries and the Office of the Prime Minister, including fortnightly or weekly meetings documented in the weekly and daily civil administration reports
Participated in the Steering Board on Public Administration (chaired by the Prime Minister) for policy-setting and strategic management of public administration, which led to the adoption of 5 core regulations concerning government procedures and functioning	No	Participated in 4 meetings of the Steering Board but regulations have not been passed owing to limitations of capacity of the PISG

Executed non-transferable governance functions relating to civil registration, issuance of travel documents, settlement of property claims, cross-border operations and increased participation of Kosovars in the management of these functions, through hiring and training co-directors and co-managers and joint decision-making	Yes	Established a Joint Working Group UNMIK/Ministry of Public Services to agree on the transfer of authority in the area of civil registration
		UNMIK continued to be the final authority for approving travel documents as this is related to the sovereignty of Kosovo
		Plans are in place for the transfer of the archives of residential property claims to the PISG following the closure of the Housing and Property Directorate
Developed in coordination with the PISG the "Standards for Kosovo", conducted regular reviews of the progress achieved and intervened when necessary	Yes	Identified and agreed with PISG on priority Standards goals and indicators of Standards performance
		Quarterly assessments of all Standards actions and indicators
		Interventions at meetings of joint UNMIK/PISG working group on Standards implementation, held every 3 weeks since December 2004
Trained the majority of 120 Kosovo Assembly and 930 municipal assembly members and approximately 300 civil servants in the Kosovo Assembly and PISG at the central and municipal levels in various aspects of the legislative and executive functions of their work	100	Assembly members trained. Lower number due to non-participation of Kosovo Serbs in the Kosovo Assembly
	930	Municipal assembly members trained
	300	Civil servants in the Kosovo Assembly trained
Contributed to the dismantlement of the "parallel structures" supported by Belgrade for the delivery of civic services in Kosovo in the areas of education and health, among others, by advising on and advocating greater PISG commitment to minority education and health through better recruitment and remuneration of staff, revised curricula and the provision of education and health infrastructure	No	Parallel structures were not dismantled
		Advice to PISG to extend budgetary support to public services in minority community areas and identification of new ways to improve civic services, such as building schools for refugees and a school for Kosovo Serb children formerly attending school in a private residence. Trained the Health Clinic in the Kosovo Serbian village of Lapje Selo in the management of their budget under the Ministry of Health
Attended approximately 360 municipal assembly meetings, approximately 1,050 municipal committee meetings and approximately 1,400 board of director meetings to monitor progress and to guide and intervene as necessary to ensure good governance, particularly in relation to functions reserved under chapter 8 of the Constitutional Framework	330	Municipal assembly meetings
	610	Meetings of mandatory Committees (360 for Budget/Policy Committees, 200 for Communities Committees and 50 for Mediation Committees)
	1 080	Board of directors meetings

Kosovo Protection Corps (KPC) mandate as a civil emergency force fully enforced	No	Increase in the number of members of the KPC from ethnic minorities from 150 to 153, constituting 5.1 per cent of the total active contingent, compared to a mandate as a civil emergency force to recruit a minimum of 10 per cent of active and reserve members from ethnic minority groups
Promulgated and enforced affirmative action plans for minorities, women and vulnerable groups	Yes	Promulgated Regulation No. 2004/18 on the Promulgation of the Law on Gender Equality in Kosovo, adopted by the Assembly of Kosovo as Kosovo Assembly Law No. 2004/2 on Gender Equality in Kosovo
Launched an anti-corruption campaign based on the findings of 14 external audits of five major publicly owned enterprises	Yes	Investigated 44 corruption allegations related to publicly owned enterprises Recommended to the Chairmen of the Board of Directors of the Kosovo Trust Agency the establishment of Provisional Boards of Directors with Audit subcommittees, and facilitated the organization of 1 of the subcommittees
Coordinated the implementation of decentralization in municipal sub-units as per a Council of Europe recommendation	Yes	Established a Joint UNMIK/PISG Working Group on local government reform Established and co-chaired with the PISG 5 working groups on Pilot Projects, Legislation, Transfer of Competencies, Capacity Building and Local Finances Established with the PISG and co-chaired with the Ministry of Local Government Administration a Steering Board to oversee the implementation of pilot projects and the drafting of legislation
Reviewed and aligned all PISG-proposed laws on competencies transferred under the Constitutional Framework in accordance with European and international standards and promulgated legislation thereafter	Yes	Reviewed 38 PISG-proposed regulations on competencies transferred
Prepared and promulgated legislation on competencies reserved for the Special Representative under the Constitutional Framework	Yes	Prepared and promulgated 28 regulations, 23 administrative directions and 20 executive decisions on competencies reserved for the Special Representative
Established the Independent Media Commission	Yes	Promulgated Regulation No. 2005/34 on the Promulgation of the Law on the Independent Media Commission and Broadcasting, adopted by the Assembly of Kosovo as Kosovo Assembly Law 02/L-15 on the Independent Media Commission and Broadcasting

Conducted various media campaigns by means of brochures, leaflets, posters and billboards to build public support for issues such as privatization, elections, standards implementation, dialogue with Belgrade, returns, economy, organized crime and multi-ethnicity	Yes	21,000 brochures, 17,000 leaflets, 9,000 booklets, 9,000 flyers, 10,000 stickers, 16,000 calendars, 2,500 posters and 100 billboards in support of the Standards 5 television and radio shows "5 Questions 5 Answers" to discuss and disseminate information on Standards 7 public service announcements for radio and television shows on road safety and on domestic violence 51 press briefings, 215 press releases in Albanian, English and Serbian, 365 morning headlines, 313 media analysis reports, 250 international media clippings of morning and evening editions in English Daily contacts with journalists and daily website update in Albanian, English and Serbian on all Mission information products and United Nations-related official documents
Published the bimonthly magazine *Focus Kosovo* and the biweekly newsletter *Danas i Sutra*, covering issues such as privatization, standards implementation, elections, dialogue with Belgrade, returns and organized crime *Focus Kosovo* is the flagship publication (15,000 copies per issue in three languages), targeting an influential audience of politicians, professionals in all resident and internally displaced person communities and a select international readership with an interest in Kosovo affairs (United Nations Headquarters in New York, contributing Governments, the European Union, the North Atlantic Treaty Organization, etc.). *Danas i Sutra* (15,000 copies per issue) is aimed at minority communities with little access to the main media (Albanian language) in Kosovo, as well as to communities of internally displaced persons in Serbia and Montenegro	Yes	51,000 copies of *Focus Kosovo* magazine in Albanian, English and Serbian 191,000 *Danas i Sutra* newsletters with summaries in English and Albanian

Expected accomplishment 1.2: enhanced protection of minority rights, including freedom of movement and the right to return

Planned indicators of achievement	*Actual indicators of achievement*
1.2.1 Decrease in the number of violent incidents of which members of minority communities are victims and increase in arrests and successful prosecutions for such crimes compared with 2003 levels, on the basis of UNMIK Police statistics	2 cases of violent incidents of which members of minority communities were victims, compared to 3 cases in 2003/04 Decrease in the number of arrests for violent crimes against minority victims, from 1,100 in 2003/04 to 1,025 in 2004/05, due to a reduced number of crimes (1,369 in 2003/04 compared to 960 in 2004/05) No inter-ethnic cases were prosecuted by international prosecutors in 2004/05 as there was only 1 ethnically motivated case during the period
1.2.2 Expanded minority access to reconstruction assistance, social and public services and utilities to better meet their sustainability needs and ensure that such access is available at a level equal to that of majority Albanian communities, as measured in the quarterly municipal assessments	Expansion of reconstruction assistance was not achieved as the March 2004 violence set back the returns process. 298 houses were reconstructed as part of returns projects compared to 517 in 2003/04. 897 houses, which were destroyed during the March 2004 violence, were also reconstructed 10 per cent of minority communities received Disability Pension (from 8 per cent at the start of the programme in September 2004) and 20 per cent received Basic Pension (from 19 per cent in June 2004) All 1,195 reconstructed houses were connected to basic infrastructure, water and electricity, compared to 517 in 2003/04. Services are provided by public utilities to all consumers in Kosovo, Albanian and non-Albanian communities, in a non-discriminatory manner Quarterly municipal assessments were replaced by the standards evaluation process
1.2.3 Expanded role of Kosovo authorities and civil society in supporting the returns process, as measured in detail through the use of the quarterly municipal assessments	Creation at the central level of the Ministry of Communities and Returns Most municipalities have enhanced their official, public support for returns:19 municipal returns strategies for 2005 endorsed by municipal working groups or assemblies, all others were drafted; 26 municipalities have municipal returns offices; at least 14 municipalities have implemented or supported implementation of returns projects , the Association of Kosovo Municipalities initiated an inter-ethnic dialogue programme; first urban return of Kosovo Serbs in Klina with Prime Ministerial and Municipal Assembly President support

1.2.4	Increased number of those desiring to return being able to do so sustainably and in dignity	Decrease in the number of returns due to policy and operational issues of cooperation with the new Ministry for Communities and Returns (682 returned since January 2005 compared to 3,801 in 2003 and 2,462 in 2004); sustainability in some cases was uncertain for economic reasons, among others
1.2.5	Secure PISG support for at least 7 million euros in Kosovo consolidated budget funding for returns projects endorsed by Municipal Working Groups and for spontaneous returns	PISG secured a total of 10.5 million euros in funding for support of returns projects in 2005

Planned outputs	*Completed (number or yes/no)*	*Remarks*
Guided and facilitated broader involvement of local authorities in returns-based activities supported by UNMIK, the evaluation of returns projects, meetings with representatives of internally displaced persons and other core activities of the Municipal Working Groups on returns, so as to foster their playing a leadership role in the process	Yes	Co-chaired with municipal assembly presidents, municipal working groups, which approved 24 multisectoral project documents on all aspects of sustainable return, developed in cooperation with internally displaced people. The 24 project documents are awaiting funding Capacity-building of local authorities and involvement of approximately 15 out of 30 municipalities in the preparation of returns projects and the co-chairing of municipal working groups Conducted with representatives of municipal working groups, the PISG and internally displaced persons lessons learned exercises and returns process reviews at the end of each return cycle to adapt the process to identified challenges
Sponsored annual donor conferences, biannual donor briefings and donor visits to return sites to secure international donor funding for returns projects and spontaneous returnees	No	Donor conference postponed owing to the elections 2 briefings on return-related activities to non-UNMIK representatives of Liaison Offices Organized 11 visits to returns site for non-UNMIK key representatives of Liaison Offices
Held regular meetings with the Prime Minister, the Minister of Finance and Economy and other key PISG leaders to ensure greater general support for the returns process, and in particular funding levels higher than those made available in 2003 for returns projects and individual/spontaneous returns	Yes	The PISG allocation increased from approximately 5 million euros in 2003 to 10.5 million euros in 2004 and remained at the same level in 2005

Facilitated successful implementation of sustainable returns projects endorsed by Municipal Working Groups	10	Multisectoral return projects completed, 14 awaiting funding
Developed mechanisms to improve information dissemination and engagement of internally displaced persons in the returns process, including assisting representatives of internally displaced persons to travel from areas of displacement to Kosovo to participate in Municipal Working Group meetings in the 29 municipalities where they take place	Yes	Established the Communities Outreach and Communication Group Consolidated and disseminated the list of media outlets for internally displaced persons Established contacts with chief of editors of all media (newspapers, television and radio stations) in Kosovo, Serbia and Montenegro Increased relationship/contact with specialized media and internally displaced persons/Communities' networks Supported the Danish Refugee Council programme in assisting representatives of internally displaced persons in participating in Municipal Working Groups Supported the Task Force on Returns in Kosovo Liaised between partners in Serbia (including internally displaced persons Associations) and structures in Kosovo Facilitated through the UNMIK-funded United Nations Office in Belgrade, in conjunction with cross-boundary partners (non-governmental organizations and the United Nations High Commissioner for Refugees), the participation of representatives of internally displaced persons in municipal working groups and other returns processes. UNMIK is exploring avenues to facilitate direct support from the PISG
Resolved 75 per cent of housing property claims and set up an effective mechanism for resolution of claims for agricultural property	96 per cent 44 per cent	of cases decided of decisions implemented Work is ongoing for proposed mechanism for agricultural property, with a target date of early 2006
Liaised with municipal governments and assisted them in the establishment of functioning Communities and Mediation Committees in 27 of 30 municipalities as locally based mediation and problem-solving mechanisms	No	Assisted in the establishment of 22 functioning communities committees. Lower number due to lack of interest of minorities in participating in local institutions Assisted in the establishment of 11 functioning mediation committees. Lower number due to lack of interest from minorities to participate in local institutions

Staffed and developed operational work plans for municipal community offices in 24 out of 30 municipalities to help integrate these offices into the work of the municipal structures and to further the possibility of their eventual handover to local government management	No	Staffed 24 municipal offices Discussions with selected municipal community offices on draft policy proposal on municipal community offices integration process
Worked with PISG to establish PISG oversight mechanisms to address systemic human rights violations, including the implementation of the Omnibus Anti-Discrimination Law and its implementation mechanisms	Yes	Promulgated Regulation No. 2004/32 on the Promulgation of the Anti-Discrimination Law, adopted by the Assembly of Kosovo as Kosovo Assembly Law No. 2004/3 on Anti-Discrimination Working groups have been established and are in the process of drafting required subsidiary legislation and of establishing appropriate bodies, the PISG being the responsible institution for the implementation mechanisms
Achieved fair-share distribution of municipal resources to minority communities in all 3 municipal Kosovo consolidated budget lines (health, education and municipal administration) in 27 out of 30 municipalities	Yes	Fair-share financing achieved in 27 municipalities
Engaged senior-level PISG representatives at central and municipal levels in ongoing dialogue activities, meetings, strategic planning, visits to return sites and endorsement of returns projects to increase their capacity to support returns and minority rights	Yes	Engaged local authorities in preparation of return projects and implementation of the Municipal Returns Strategies Engaged the Kosovo Government to initiate outreach programme to facilitate communication between communities Joint outreach visits of UNMIK, Ministry of Communities and Returns and Ministry of Local Government Administration to the communities in Kosovo as well as those displaced in Serbia, Montenegro, The former Yugoslav Republic of Macedonia
Conducted public information and tolerance-building campaigns throughout Kosovo, supported by Kosovo-wide billboard campaigns, radio and television public service announcements and interviews. Produced regular radio and television programmes addressing minority rights and returns issues	Yes	9 television and radio shows *Danas i Sutra* to bring the stories of Kosovo's Serbian-speaking communities via local television stations 6 television and radio public service announcements 40 radio programmes on related issues

Expected accomplishment 1.3: progress towards regular direct dialogue between Pristina and Belgrade officials

Planned indicators of achievement	*Actual indicators of achievement*
1.3.1 Regular and productive contacts between PISG and Belgrade counterparts at various levels	Meetings of the Direct Dialogue Working Groups resumed Working Groups on cooperation in Energy, Missing Persons and Returns met twice each (in Belgrade and Pristina) The Transport and Communications Working Group convened its first session
1.3.2 Conclusions of the Chairpersons of the Working Groups on Direct Dialogue agreed by both the Belgrade and the Pristina delegations	Not achieved. The process is experiencing a one-year delay as Belgrade declined to participate
1.3.3 Support and commitment for direct dialogue from Kosovo Albanian and Kosovo Serb political leaders and population, as evidenced by public statements in support of the direct dialogue process and participation in the Working Groups	2 former Prime Ministers, as well as the current Prime Minister, made public statements in favour of resuming and continuing the direct dialogue with Belgrade The former Prime Minister met with the Working Group on Missing Persons prior to their departure for Belgrade to underscore his Government's commitment to the discussions The current Prime Minister appointed a Coordinator for the Direct Dialogue

Planned outputs	*Completed (number or yes/no)*	*Remarks*
Facilitated monthly meetings between PISG representatives and the Belgrade Government	8	Meetings facilitated
Signed a variety of technical agreements on, inter alia, recognition of Kosovo vehicle licence plates, return of civil and cadastral documentation to Kosovo, cultural archives and artefacts	No	No new agreements signed on return of civil and cadastral documentation owing to the sensitive nature of the issue (property rights). It will be dealt with through the status negotiation process New agreements were not signed either on the return of cultural archives and artefacts since the focus was diverted to the reconstruction of religious sites following the March 2004 violence
Devised and implemented a Kosovo-wide public information campaign in local media in support of direct dialogue, through print and audio-visual media, supported by campaigns at the municipal level	Yes	UNMIK Bus "Let's talk" participated in town hall meetings outside Pristina for a "Community-Based Communication and Conflict Resolution Strategy" Designed and updated a special website on Standards in Albanian, English and Serbian

	Production of special posters for town hall meetings
	Designed and distributed materials (3,000 pens, 1,000 colour pencils, 5,000 reflectors, 5,000 balloons) on Standards
	17 television and radio shows ("5 Questions 5 Answers" and "UN this Week")
	6 radio interviews with senior Belgrade officials

Expected accomplishment 1.4: cooperation with regional partners and international organizations

Planned indicators of achievement	*Actual indicators of achievement*
1.4.1 Concluded and successfully implemented agreements on, inter alia, recognition of UNMIK travel documents, vehicle licence plates and insurance documents with regional partners	8 countries concluded new agreements to recognize UNMIK travel documents (Armenia, Cyprus, Estonia, Latvia, Lithuania, Poland, Slovakia and Uzbekistan)
	4 countries (Albania, Croatia, The former Yugoslav Republic of Macedonia and Greece) concluded new agreements on insurance documents, including recognition of licence plates
1.4.2 Signed free trade agreements with regional partners, similar to the first such agreement signed with Albania in June 2003	Negotiations with The former Yugoslav Republic of Macedonia on a free trade agreement concluded on 28 June 2005. Agreement will be formalized in 2005/06
	Rounds of negotiations were also conducted with Bosnia and Herzegovina. Further rounds of negotiation will be held during 2005/06
1.4.3 Quarterly assessments by the European Commission indicating progress towards compliance with the standards set by its Stabilization and Association Process Tracking Mechanism (STM)	Quarterly assessments by the European Commission indicating PISG progress in various fields of the STM

Planned outputs	*Completed (number or yes/no)*	*Remarks*
Facilitated regular meetings of political leaders and signed agreements on issues of freedom of movement, education, health and customs, among others	Yes	Meetings held with The former Yugoslav Republic of Macedonia Customs Service, the Serbian Customs Administration, resulting in the signing of a protocol on mutual cooperation; the Montenegrin Customs Administration, resulting in the signing of a memorandum of understanding, and with the Albanian Customs Service

Pursued discussions on recognition of vehicle licence plates, driving licences, vehicle insurance and travel documents with most countries in the region, in particular Bosnia and Herzegovina, Bulgaria, Croatia, Greece, Slovenia and Turkey	Yes	Discussions on recognition of vehicle insurance between the Banking and Payments Authority of Kosovo and authorities in Bosnia and Herzegovina, Croatia, Greece, Serbia and Montenegro and Slovenia Discussion of memorandums of understanding with the Bulgarian Motor Bureau and the Turkish Motor Bureau
Initiated and pursued negotiations on free trade agreements between Kosovo and regional neighbours	Yes	5 rounds of negotiations held with The former Yugoslav Republic of Macedonia and 2 rounds of negotiations held with Bosnia and Herzegovina
Developed cooperation on energy exchange with neighbouring electricity suppliers, in particular from Albania, Bulgaria and Serbia and Montenegro	Yes	Exchange agreements signed between the Korporata Energetica Kosoves (KEK) and Korporata Elektroenergjetike Shqiptare (Albania), Electroprivreda Srbije (Serbia), Electro Stopanstvo na Makedonija (The former Yugoslav Republic of Macedonia), Elektro Privreda Crne Gore Ad-Niksic (Montenegro), and Natsionalna Elektricheska Kompania (Bulgaria)
Planned and organized regional parliamentary exchanges	Yes	Organized the visit of a Macedonian parliamentary member to the Assembly of Kosovo Organized the Athens and Thessalonika visits of the East West Parliamentary Practice Project Organized the June 2005 Parliamentary Conference with participation of all parliaments in the region
Coordinated with PISG the implementation of the European Commission recommendations in the framework of the STM process	Yes	Regular meetings with PISG officials on STM recommendations, leading to their implementation in sectors such as energy and transport

Expected accomplishment 1.5: transition to a market economy

Planned indicators of achievement	Actual indicators of achievement
1.5.1 Legislative framework for the development of the Kosovo economy is compliant with European Union standards	Legislative framework for the development of the Kosovo economy is compliant with European Union standards
1.5.2 Operational and sustainable institutional and infrastructure base as evidenced by the quarterly expert performance assessment within the STM process	The Action Plan for the Implementation of the European Partnership was developed to establish institutional capacity as well as a database for implementation of the STM process. The first quarterly assessment was carried out after the first quarter of 2005

1.5.3 All property transactions are duly registered in the Kosovo cadastre	Information is not available as the reconstruction of the cadastre records is not completed. Reconstruction of the records through donor projects will commence in 2005/06. Regulations on the Immovable Property Rights Register and the Law on Cadastre were promulgated

Planned outputs	*Completed (number or yes/no)*	*Remarks*
Adopted and implemented a legal and operational framework in the areas of property rights, commerce and competition, fiscal matters, and investment and infrastructure, in accordance with European Union standards	Yes	Drafted, reviewed and monitored implementation of laws adopted by the PISG in the areas of property rights, commerce and competition, fiscal matters, and investment and infrastructure
Provided public utilities on a regular basis without interruption or cuts in services	No	Ongoing attempts to put in place a framework to improve the provision of public utilities Korporata Energetica Kosoves (KEK) has maintained a power supply policy with load shedding of 5:1 (5 hours on for every 1 hour off) Provided relatively stable water supply Provided telecommunication and transport services with no major interruption
Designed and implemented restructuring plans for publicly owned enterprises and privatized socially owned enterprises, as provided for under the operational policies of the Kosovo Trust Agency	Yes	Incorporated Post and Telekom of Kosovo and Pristina Airport as Joint Stock Companies Progress made according to terms of reference for the incorporation of Korporata Energetica Kosoves (KEK), UNMIK Railways and District Heating Preparations for the incorporation in 2005/06 of a number of water, waste and irrigation enterprises Legal advice to the Kosovo Trust Agency for the privatization of 41 socially owned enterprises, and for the conclusion of contracts for the privatization of 28 socially owned enterprises to be realized in 2005/06
Adopted and implemented non-discriminatory policies on recruitment and public utility provision	Yes	Adopted and implemented non-discriminatory policies across publicly owned enterprises
Participated in 4 quarterly meetings of STM and regular sectoral meetings (on issues such as education, health, transport, communication, media and economy) to assess progress between quarterly STM meetings	Yes	Participated with the PISG in 3 meetings of the STM and 2 sectoral meetings

Component 2: rule of law

Expected accomplishment 2.1: progress towards an impartial, competent and multi-ethnic police, justice and penal system, supported by the public and PISG and based on respect for human rights

Planned indicators of achievement	*Actual indicators of achievement*
2.1.1 An 80 per cent increase in the number of cases of murders and serious assaults committed against minorities being tried by local prosecutors and judges, which were previously handled by international judges and prosecutors	A 33 per cent decrease in the number of cases of murders and serious assaults committed against minorities being tried by local judges which were previously handled by international judges (2 cases in 2004/05 compared to 3 cases in 2003/04) As a result of the March 2004 riots, international prosecutors handled all ethnically motivated cases of murders and serious assaults committed against minorities, and local prosecutors handled only cases of minor offence committed against minorities. Cases of murders and serious assaults committed against minorities that were not ethnically motivated were not selected by international prosecutors and often not reported to the international prosecutors by the police
2.1.2 Compliance with Council of Europe standards as well as United Nations standard minimum rules for the treatment of prisoners	Penal management complies with the minimum rules set by the United Nations and the Council of Europe for the treatment of prisoners
2.1.3 Compliance with requirements set by UNMIK, as the governing authority, for minority and gender representation within the police, justice and penal system	The requirements set by UNMIK for minority representation within the police, justice and penal system were not met owing to the Serbian parallel court system, the concentration of minority groups in specific locations and the lack of freedom of movement between different areas 9.3 per cent of members of the Kosovo Police Service, 4.5 per cent of judges, 2.2 per cent of prosecutors and 11.4 per cent of members of the Kosovo Corrections Service were Kosovo Serbs. 5.9 per cent of members of the Kosovo Police Service, 5.5 per cent of judges, 6.7 per cent of prosecutors and 3.5 per cent of members of the Kosovo Corrections Service were from other minority groups The requirement set by UNMIK for gender representation within the police, justice and penal system was not met owing to the traditional role of women in Kosovo society 13.7 per cent of members of the Kosovo Police Service, 26 per cent of judges, 16 per cent of prosecutors and 17 per cent of members of the Kosovo Corrections Service were women Gender and minority awareness policies incorporated into the Codes of Conduct, Code of Ethics and hiring procedures of the Kosovo Police Service and into the Codes of Conduct of the Kosovo Judicial Prosecutorial Council

2.1.4 **Increase in the number of Kosovo Police Service (KPS) members from 6,143 to the target figure of 6,500**	6,557 Kosovo Police Service members as at 30 June 2005

Planned outputs	*Completed (number or yes/no)*	*Remarks*
Trained 420 Kosovan judges and prosecutors and 6,553 police officers on criminal codes, representing 100 per cent of judicial personnel and police officers	206	Judges trained (66 per cent of the judges, as only criminal judges were trained)
	112	Prosecutors trained (100 per cent of prosecutors)
	6 554	Members of the Kosovo Police Service (100 per cent of police officers)
Eliminated a backlog of 80 cases (as of August 2003) on judicial misconduct by local judges and prosecutors	No	Backlog increased to 104 cases, for most of which the investigation was concluded and only the final report is required, owing to the reallocation of resources to other priorities in the area of justice
Established operational responsibility of KPS in all police stations in Kosovo	No	Established operational responsibility of Kosovo Police Service in 33 of 35 stations. The 2 remaining stations are scheduled for transition during the third quarter of 2005
Set up 3 specialized KPS units as part of the KPS transition plan	Yes	Set up Canine Unit, the Regional Operation Support Unit, and Close Protection Unit
Established 10 local crime-prevention councils and 10 traffic-safety councils	30	Local crime-prevention councils
		No traffic safety councils were established as priority was given to the establishment of the local crime-prevention councils in order to increase trust of the minority communities
Managed 8 correctional facilities in accordance with international standards	8	Correctional facilities managed in accordance with European Prison Rules (Strasbourg 1987), 4 of which are under supervision of Kosovan staff
Produced a monthly television programme on law and order issues	No	The production of *Dosja e Krimit* was handed over to full local competence. In its place *UN Report* television show was launched in August 2004 covering UNMIK activities, United Nations-related issues globally and in the region
Transferred responsibilities to 22 local deputy prison directors	37	Deputy Directors
	13	In addition, transferred responsibilities to 10 Directors and 3 Deputy Commissioners

Expected accomplishment 2.2: improve effectiveness of systems to combat organized crime, inter-ethnic crime, terrorism and corruption

Planned indicators of achievement	*Actual indicators of achievement*
2.2.1 Increase by 80 per cent in the number of organized crime, human trafficking, inter-ethnic crime, terrorism and corruption cases tried by local judges and prosecutors, which are currently handled primarily by international judges and prosecutors	Percentage increase not determined as data for 2003 is not available. 3 cases handed over to local judges
2.2.2 A 150 per cent increase in the direct involvement of KPS officers in investigations of basic and serious crimes, in line with the plan for transition from international civilian police to KPS	All investigations of basic crimes are handled by Kosovo Police Service officers Crime clearance rate by the KPS for serious crimes increased from 23 per cent in 2003/04 to 44 per cent in 2004/05

Planned outputs	*Completed (number or yes/no)*	*Remarks*
Trained and appointed 5 local prosecutors to the Public Corruption Prosecutor's Office	No	A Public Corruption Prosecutor's Office has not been created in Kosovo. The Kosovo Special Prosecutor's Office (KSPO) will incorporate a section that will handle allegations of corruption
Trained 185 local police officers to investigate organized crime, inter-ethnic crime, terrorism and corruption	138	Officers trained. Lower number due to the fact that only 138 officers were qualified for acceptance after completion of the application process
The Financial Information Centre is operational. It will receive and analyse reports of suspicious financial transactions disclosed pursuant to money-laundering regulations	Yes	The Financial Information Centre has received reports on cash transactions and suspicious transactions since 1 September 2004 and provides quarterly reports on its operations and statistics on cash and suspicious transactions
Developed a transfer plan for specialized areas: organized crime, financial investigations, intelligence, missing persons and forensics	Yes	Plan submitted to the Police Commissioner in June 2005
Concluded police cooperation agreements with Bosnia and Herzegovina, Croatia and Slovenia	No	Draft memorandums of understanding were sent to the concerned parties, who did not want to engage in signing cooperation agreements Informal agreements exist with Bosnia and Herzegovina, Croatia and Slovenia, as well as other countries through an agreement between UNMIK and Interpol

Concluded 6 comprehensive agreements on judicial cooperation with Albania, Bosnia and Herzegovina, Croatia, The former Yugoslav Republic of Macedonia, Serbia and Montenegro and Slovenia. Areas of judicial cooperation include extradition of accused persons, transfer of sentenced persons and execution of criminal judgements	No Concluded only 1 agreement on the transfer of sentenced persons, with The former Yugoslav Republic of Macedonia, as foreign authorities are reluctant to sign international agreements with UNMIK Agreement on mutual judicial cooperation is currently being drafted Proposed agreements on the transfer of sentenced persons have been transmitted to Slovenia, Hungary, and others, but have yet to be concluded

Component 3: support

Expected accomplishment 3.1: effective and efficient logistical and administrative support for the Mission

Planned indicators of achievement	*Actual indicators of achievement*
3.1.1 Recruitment time for the replacement of international staff in Pillars I and II and for national staff reduced sufficiently	Average recruitment time for Pillar I and Pillar II reduced to 8 weeks and 16 weeks, respectively, in 2005, compared to 18 weeks and 35 weeks, respectively, in 2004 No recruitment of national staff in 2004/05 owing to the downsizing of the Mission
3.1.2 The percentage of total inventory value awaiting write-off and disposal will be reduced from 1.9 per cent as at 30 June 2003 to 0.8 per cent as at 30 June 2005 and surplus stock holdings are to be reduced in value from 12.47 per cent of monthly holdings in 2003/04 to 8.1 per cent in 2004/05	The value of inventory awaiting write-off and disposal increased to 5.4 per cent of total inventory value as at 30 June 2005 owing to the ageing of the assets and to a delay in the planned sale of assets to the PISG attributable to PISG budgetary process Surplus stock holdings stood at 12.54 per cent of total inventory value as at 30 June 2005 owing to increasing number of items returned to inventory following the downsizing of the staffing level of the Mission
3.1.3 A 15 per cent increase in utilization rates for UNMIK vehicles, from the current rate of 1,915 kms per vehicle per month for standard vehicles and 1,041 kms per vehicle per month for heavy trucks to 2,202 kms per vehicle per month for standard vehicles and 1,197 kms per vehicle per month for heavy trucks in 2004/05	Utilization rates decreased to 1,680 kms per vehicle per month for standard vehicles and 740 kms per vehicle per month for heavy vehicles, owing to the drawdown of the Mission's activities, in particular the handing over of the civilian police patrolling duties to the Kosovo Police Service and the repatriation of special police units
3.1.4 Reduced rates of traffic accidents involving UNMIK personnel	The rate of traffic accidents has reduced from an average of 14 accidents per month in 2003/04 to an average of 12.8 accidents per month during 2004/05

3.1.5 Outsourcing of 6 management and maintenance services to local contractors, including grounds and building management, transport fleet maintenance and repair, generator/heating plant repair and maintenance service, accommodation service, documents reproduction service and car-washing facility	Outsourced the service and maintenance of heating plants, the rewinding and refurbishing of electrical motors and alternators, the balancing of vehicle wheels, car washing and accident repairs in the municipalities and in the Liaison Offices, as well as the removal of hazardous wastes and camp services

Planned outputs	*Completed (number or yes/no)*	*Remarks*
Service improvement		
Time for replacement of staff in 2004/05 reduced from 3 months to 1 month for international staff and from 2 months to 3 weeks for national staff by re-engineering the recruitment process through faster short-listing and reduced time for paperwork and interviews of potential candidates	Yes	Re-engineered the recruitment process through faster short-listing and reduced time for paperwork and interviews of potential candidates
The rate of traffic accidents involving UNMIK personnel reduced from an average of 14 per month to an average of 10 per month	No	The rate of traffic accidents has reduced from an average of 14 accidents per month in 2003/04 to an average of 12.8 accidents per month during 2004/05 Trained 3,566 staff in operating armoured vehicles, advance driver training of recovery trucks, defensive and winter driving, material handling equipment, cargo loading and safety, and implemented a new UNMIK driver briefing
The utilization rate of 2,202 kms per vehicle per month for standard vehicles and 1,197 kms per vehicle per month for heavy trucks achieved	No	Utilization rates decreased to 1,680 kms per vehicle per month for standard vehicles and 740 kms per vehicle per month for heavy trucks owing to the drawdown of the Mission's activities, in particular the handing over of the civilian police patrolling duties to the Kosovo Police Service and the repatriation of special police units
Civilian police		
3,055 civilian police serviced, including rotations, payments and transport support	2 440	Average civilian police monthly strength

Civilian personnel		
An average of 3,695 international and national staff per month administered, including in respect of career development and payment of mission subsistence allowance and other entitlements	3 617	Total average numbers of 718 international staff, 2,692 national staff and 207 United Nations Volunteers
Outsourcing of 6 management and maintenance services to local contractors, resulting in a reduction of operational costs by some $1.3 million and a reduction of 5 international and 35 national-level posts in supply and engineering fields during the period from October 2004 to April 2005	Yes	Requirements for maintenance services were further reduced by $358,800, resulting from a revision of the Mission's plan of alteration, renovation and construction projects with a view to achieving savings, and from the handover of a higher than planned number of premises to the local government
The UNMIK 2004-05 downsizing plan, including a reduction of 135 international posts and 134 national-level posts from June 2004 to June 2005, implemented without interruption of support services	135	International staff posts reduced
	123	National staff posts reduced
Official travel		
2,402 personnel trained in the areas of communications, information technology, transport, security, air safety, finance, supplies, engineering and language skills	1 513	Personnel trained. The lower number was due to a revision of the Mission's training requirements with a view to achieving savings and to the cancellation of administrative training for security reasons
Facilities and infrastructure		
120 premises Kosovo-wide maintained, including Mission and administrative headquarters, 3 regional headquarters, 5 premises in municipalities, 5 logistics bases and 4 clinics	65	Premises maintained. The reduced number resulted from the handover of 55 premises to the local government
Ground transportation		
1,871 vehicles managed, including distribution, control, repair and maintenance, for civilian police and international and local staff	1 965	Vehicles managed In addition, repaired and maintained 53 non-United Nations-owned vehicles (contingent-owned vehicles, vehicles from United Nations agencies, the European Union and the Council of Europe) and 41 items of workshop equipment

Air transportation		
1 fixed-wing aircraft and 1 helicopter operated with 30 monthly block hours each, utilized in police operations, including witness protection and reconnaissance and VIP and liaison flights; 3,800 passengers and 3 tons of cargo delivered, and 156 shuttle flights to Belgrade completed	1	Helicopter (30 monthly block hours until 30 November 2004, 20 flight hours per month thereafter)
	1	Fixed-wing aircraft, terminated on 10 May 2005 owing to high operational cost
	1 700	Passengers
	1	Ton of cargo delivered
	96	Shuttle flights to Belgrade
Communications		
3 information programmes dedicated to core policy goals of UNMIK aired at prime time in Kosovo	3	Programmes aired (*Danas i Sutra*, *UN Report* and *Ekonomia e Re*)
Information technology		
An average of 3,500 communications and information technology users, excluding civilian police and members of formed police units, supported monthly by access to telephone, fax, e-mail and the Internet, where applicable	5 100	Extensions for telephone and fax
	2 500	Network users
	4 227	E-mail accounts
Integrated inventory management fully operational	Yes	Galileo operational since 17 June 2005
Medical		
UNMIK 12-bed health-care centre and regional clinics with a total capacity of 20,000 patients per year operated	25 149	Patients served in 12-bed health-care facility and 4 regional clinics. Higher number due to increased number of outpatient visits following the introduction of HIV testing services and additional laboratory tests

III. Resource performance

A. Financial resources

(Thousands of United States dollars. Budget year is from 1 July 2004 to 30 June 2005.)

Category	Apportionment[a] (1)	Expenditure (2)	Variance Amount (3) = (1) - (2)	Variance Percentage (4) = (3) ÷ (1)
Military and police personnel				
Military observers	1 453.3	1 282.5	170.8	11.8
Military contingents	—	—	—	—
Civilian police	85 158.8	87 033.0	(1 874.2)	(2.2)
Formed police units	17 481.2	17 937.8	(456.6)	(2.6)
Subtotal	**104 093.3**	**106 253.3**	**(2 160.0)**	**(2.1)**
Civilian personnel				
International staff	95 458.1	96 830.0	(1 371.9)	(1.4)
National staff	48 200.4	51 673.9	(3 473.5)	(7.2)
United Nations Volunteers	8 666.6	7 658.3	1 008.3	11.6
Subtotal	**152 325.1**	**156 162.2**	**(3 837.1)**	**(2.5)**
Operational costs				
General temporary assistance	105.6	234.2	(128.6)	(121.8)
Government-provided personnel	—	—	—	—
Civilian electoral observers	—	—	—	—
Consultants	—	211.8	(211.8)	—
Official travel	1 449.4	1 259.2	190.2	13.1
Facilities and infrastructure	16 109.3	14 601.5	1 507.8	9.4
Ground transportation	6 282.0	5 184.6	1 097.4	17.5
Air transportation	1 904.6	1 502.5	402.1	21.1
Naval transportation	—	—	—	—
Communications	4 955.2	3 359.3	1 595.9	32.2
Information technology	4 416.5	3 497.7	918.8	20.8
Medical	549.3	498.5	50.8	9.2
Special equipment	98.0	132.6	(34.6)	(35.3)
Other supplies, services and equipment	2 336.9	1 599.6	737.3	31.6
Quick-impact projects	—	—	—	—
Subtotal	**38 206.8**	**32 081.5**	**6 125.3**	**16.0**
Gross requirements	**294 625.2**	**294 497.0**	**128.2**	**0.0**
Staff assessment income	22 636.4	22 720.5	(84.1)	(0.4)
Net requirements	**271 988.8**	**271 776.5**	**212.3**	**0.1**
Voluntary contributions in kind (budgeted)	—	—	—	—
Total requirements	**294 625.2**	**294 497.0**	**128.2**	**0.0**

[a] Reflects adjusted distribution of approved resources between military contingents and formed police units.

B. Other income and adjustments

(Thousands of United States dollars)

Category	*Amount*
Interest income	796.1
Other/miscellaneous income	1 570.2
Prior-period adjustments	(149.3)
Savings on or cancellation of prior-period obligations	8 078.4
Total	**10 295.4**

C. Expenditure for contingent-owned equipment: major equipment and self-sustainment

(Thousands of United States dollars)

Category	*Expenditure*
Major equipment	
Formed police units	2 824.2
Self-sustainment	
Facilities and infrastructure	
Office equipment	48.4
Miscellaneous general stores	146.1
Communications	
Communications	290.5
Medical	
Medical services	230.6
Special equipment	
Observation	132.6
Subtotal	**848.2**
Total	**3 672.4**

Mission factors	*Percentage*	*Effective date*	*Last review date*
A. Applicable to mission area			
Extreme environmental condition factor	1	1 July 1999	—
Intensified operational condition factor	1	1 July 1999	—
Hostile action/forced abandonment factor	1	1 July 1999	—
B. Applicable to home country			
Incremental transportation factor	1 to 4		

IV. Analysis of variances[1]

	Variance	
Military observers	$170.8	11.8%

7. The reduced requirements were due mainly to lower expenditures for mission subsistence allowance, which resulted from a lower average euro/United States dollar exchange rate during the period than estimated for calculating costs and from a vacancy rate of 2.9 per cent whereas the cost estimates assumed no vacancies.

	Variance	
Civilian police	($1 874.2)	(2.2%)

8. Final expenditures were in line with projected expenditures for 2004/05 as contained in the note by the Secretary-General (A/59/692) on financing arrangements for UNMIK for the period from 1 July 2004 to 30 June 2005. The increased requirements resulted from additional mission subsistence allowance requirements, as stated in the note. The Mission reprioritized funds and deferred some planned expenditures under operational costs in order to absorb these additional requirements within the total amount appropriated for the Mission for 2004/05.

	Variance	
Formed police units	($456.6)	(2.6%)

9. The increased requirements were attributable mainly to the fact that estimates for cost for reimbursement of contingent-owned equipment were based on seven formed police units deployed from July 2004 to March 2005, whereas eight units were actually deployed during this period.

	Variance	
International staff	($ 1 371.9)	(1.4%)

10. Final expenditures were in line with projected expenditures for 2004/05 as contained in the note by the Secretary-General (A/59/692) on financing arrangements for UNMIK for the period from 1 July 2004 to 30 June 2005. The additional requirements were attributable to a higher actual ratio of common staff costs to net salaries than originally estimated in the 2004/05 budget, as set out in the note. The Mission reprioritized funds and deferred some planned expenditures under operational costs in order to absorb these additional requirements within the total amount appropriated for the Mission for 2004/05.

[1] Resource variance amounts are expressed in thousands of United States dollars.

	Variance	
National staff	($3 473.5)	(7.2%)

11. Final expenditures were in line with projected expenditures for 2004/05 as contained in the note by the Secretary-General (A/59/692) on financing arrangements for UNMIK for the period from 1 July 2004 to 30 June 2005. The additional requirements were due to revised salary scales, as set out in the note. The Mission reprioritized funds and deferred some planned expenditures under operational costs in order to absorb these additional requirements within the total amount appropriated for the Mission for 2004/05.

	Variance	
United Nations Volunteers	$1 008.3	11.6%

12. The lower requirements were mainly attributable to the actual vacancy rate of 17.3 per cent over the financial period, whereas no vacancy rate was assumed in the budget.

	Variance	
General temporary assistance	($128.6)	(121.8%)

13. The additional requirements resulted from the need, identified after the March 2004 riots, to hire on a short-term basis seven individual contractors to address issues of public awareness, missing persons and forensics, law enforcement and field integration.

	Variance	
Consultants	($211.8)	—%

14. The expenditure related to the short-term hiring of five consultants, following the March 2004 riots, to assess the political implications of the riots, to oversee the Mission's security operations, to assist in the formulation and implementation of policies addressing the concerns of minority communities and to increase trust between majority and minority communities, and to create an archaeological inventory.

	Variance	
Official travel	$190.2	13.1%

15. The reduced requirements resulted mainly from the fact that the Mission revised its travel plan, particularly in the areas of civil administration, police assessment and administrative support, as well as its training plan, particularly in the areas of communications, information technology and air operations, with a view to achieving savings.

	Variance	
Facilities and infrastructure	$1 507.8	9.4%

16. The lower requirements were attributable mainly to the implementation of economy measures, which included a revision of the Mission's plan for alteration, renovation and construction projects resulting in cancellation of or reduction in the scope of some projects, the introduction of e-requests for supplies and services, enhanced utilization of spare parts salvaged from damaged and obsolete equipment, preventive maintenance work on equipment and better utilization of existing spare parts stocks.

	Variance	
Ground transportation	$1 097.4	17.5%

17. The lower requirements were due mainly to the fact that the Mission received at no cost (except for freight cost) 72 4x4 vehicles from the surplus stock of the United Nations Operation in Côte d'Ivoire.

	Variance	
Air transportation	$402.1	21.1%

18. The lower requirements resulted primarily from reduced flying hours of the helicopter as well as the fixed-wing aircraft, which contract was terminated in May 2005.

	Variance	
Communications	$1 595.9	32.2%

19. The lower requirements were due to the fact that the Mission had to postpone the procurement of some of its communications equipment as well as of some of its spare parts in order to accommodate the additional requirements under military and police personnel and under civilian personnel.

	Variance	
Information technology	$918.8	20.8%

20. The lower requirements were due to the fact that the Mission had to postpone the procurement of some of its information technology equipment as well as of some of its software packages in order to accommodate the additional requirements under military and police personnel and under civilian personnel.

	Variance	
Medical	$50.8	9.2%

21. The lower requirements were due mainly to lower than estimated needs for medical services as well as for the replacement of medical equipment.

	Variance	
Special equipment	($34.6)	(35.3%)

22. The increased requirements were attributable to higher self-sustainment cost than estimated, as cost estimates were based on average reimbursement rates since the specific formed police units which would be repatriated in 2004/05 were not known at the time of budget preparation.

	Variance	
Other supplies, services and equipment	$737.3	31.6%

23. The reduced requirements were attributable mainly to the signing of a new contract with more favourable terms for the high performance photocopying needs of the Mission.

V. Actions to be taken by the General Assembly

24. **The actions to be taken by the General Assembly in connection with the financing of UNMIK are:**

(a) **To decide that Member States shall waive their respective shares in other income for the period ended 30 June 2005 amounting to $10,295,400, and their respective shares in the amount of $31,000 from the unencumbered balance of $128,200 for the period ended 30 June 2005, to be applied to meeting the current and future after-service health insurance liabilities of the United Nations;**

(b) **To decide on the treatment of the remaining unencumbered balance of $97,200 for the period ended 30 June 2005.**